

EYES ONLY

8 June 1954

MEMORANDUM FOR: The Director of Central Intelligence

SUBJECT: Proposal for appointment of a high-level
"Board of Consultants."

25X1 1. Pursuant to your request of this afternoon, I have considered with some care the proposal which is embodied in the three attached papers which you furnished to me, and I have discussed this matter with [] and with no one else. The following is the essence of the joint conclusions and reactions of [] and myself:

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2. The desirability and utility of the proposal is, of course, dependent upon the purposes sought to be served. If it is desired to spread or firm up at this time, for the benefit of congressional and public opinion, the point or proposition that this Agency has been and is subject to review and criticism in the conduct of its work and the handling of its financial and personnel affairs, then the proposal would be very effective for this purpose. In the same connection, it would help to dispel the prevalent criticism to the effect that we are a free-wheeling organization and responsible to no one for the conduct of our affairs -- an impression largely based upon ignorance or misapprehension of the true facts.

3. If, on the other hand, it is intended by this device to quell the current sentiment existing in certain congressional quarters to the effect that CIA should be more subject to congressional review and direction, then we do not think that this proposal would fill the bill. The appetite within Congress for more say-so and more control with respect to CIA activities and procedures is believed to be such that the findings and recommendations of a board appointed by the Executive would not be considered binding upon or particularly persuasive to those elements of the Congress who desire to satisfy themselves more adequately. I fully appreciate that we could be wrong in our judgment in the latter respect and in any case I am anxious to make it clear that it is not our intention to condemn or fault the proposal. It is quite possible that by thus broadening the base of judgment as to what matters should (and should not) be regarded as appropriate for submission to the Congress, there will be a net benefit to your position, even though the proposal would not do the entire job hoped for. The one thing to be avoided is the possibility of an adverse congressional reaction, viz. that this is some sort of attempted run-around or

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gloss-over. This should be avoidable through the contemplated step of having the President take preliminary soundings with congressional leaders of both sides prior to the final decision to unveil this one.

4. As regards the actual text, we have a few minor suggestions, to wit:

a. In the third sentence of the first paragraph, I would point out the fact that the Dulles Report was submitted to the NSC. This is not entirely clear despite the reference to NSC action in the first sentence.

b. I should like to repeat my recommendation to the effect that some reference be made to the thorough-going review which the so-called "Triple-Jackson Committee" gave to "certain important aspects of the responsibilities and work of the Agency." This review took place only slightly over a year ago, whereas the work of the Dulles Committee is now nearly five years gone by.

c. In the draft of proposed reply from the President I question the language appearing after the second semicolon, in the third sentence, viz., "It should assist you in furnishing to the appropriate committees of Congress such information with respect to the operations of the Agency", etc. Would it not be better to phrase this as follows: "It should assist you with recommendations as to how best to furnish to the appropriate committees of the Congress such information" etc. My thought here is that you probably do not intend to have the Board of Consultants serve as the actual conveyors of the information, which is the thought suggested by the existing language.

d. In the last paragraph of the draft reply from the President the deadline sought to be specified is not too clear, in view of the various steps which are involved in the submission of our budget appropriations.

FRANK G. WISNER
Deputy Director (Plans)

25X1A

7 June 1954

The President
The White House

Dear Mr. President:

ILLEGIB

About five years ago, pursuant to NSC action, a small committee of persons outside government, but familiar with intelligence work, was constituted to review the work of the Central Intelligence Agency. I was Chairman of that Committee, which included Mr. William H. Jackson and Mr. Mathias Correa. The report which we submitted in January 1949 served as the basis for certain organizational changes which my predecessor, General Bedell Smith, put into effect shortly after he became Director of Central Intelligence.

In the five years subsequent to this report there have been basic changes in the world outlook, and in the problems which this Agency faces. The Soviet have nuclear weapons and are making important progress in various scientific and technical fields affecting their over-all strategic situation vis-a-vis the free world. Intelligence targets have changed; intelligence techniques must be altered accordingly.

Under these circumstances, I would welcome it if you felt the time had come to constitute a "Board of Consultants" to review the work of the Agency, its programs, techniques and administrative setup, as well as its progress in carrying out its statutory duties and, in particular, its duty to coordinate and make more effective the intelligence operations of government. Such a study could include a review of our personnel policies and of our methods of controlling the expenditure of the unvouchered funds entrusted to us by the Congress.

It is my belief that reviews of this nature should be carried out at periodic intervals as the National Security Council might determine to be appropriate.

While I might constitute such a board by my own action, I believe that I could only secure the high caliber of men required to carry out this mission if you, yourself, took the initiative in constituting the Board thereby emphasizing the importance you place upon it.

Faithfully yours,

Allen W. Dulles
Director

D R A F T

Dear Mr. Dulles:

I am in agreement with the conclusion in your letter of 7 June suggesting that a Board of Consultants be constituted to review and report to me on the work of the Central Intelligence Agency. Such a review, in addition to covering the important objectives you outline, should conform to the following standards. It should supply the Central Intelligence Agency with guidance; it should be so conducted as to assist you as Director in protecting intelligence sources and methods from unauthorized disclosure as provided in the National Security Act of 1947; it should assist you in furnishing to the appropriate Committees of Congress such information with respect to the operations of the Agency as they may reasonably require in the exercise of their legislative, appropriative and investigative functions.

At my request, General Omar Bradley, Dr. Karl Compton and Mr. Robert Sprague have consented to serve as the member of the Board of Consultants. You are instructed to make available to them such information as they may require in connection with their review. Other intelligence agencies of the government will be

instructed to afford the Board like facilities insofar as it may deem this necessary in considering CIA's function in the coordination of the intelligence activities of the government.

It is my desire that the Board should complete its study in time for my consideration before your budget appropriations for FY '55 are submitted to the Congress.

Sincerely,

**DRAFT OF PRESIDENTIAL STATEMENT OF A MEETING
WITH CONGRESSIONAL LEADERS (to be given out to the press.)**

The President stated that for some time he had been disturbed by reports that an attempt might be made to subject the Central Intelligence Agency to a type of Congressional investigation which would inevitably disclose highly classified security matters to potential enemies of the United States. The President expressed to the Congressional leaders with whom he consulted this morning his feeling that if such an investigation were to take place it would result in serious harm to our national security. He made it clear to the Congressional leaders that he recognized that Congress in the exercise of its legislative functions has a clear right to the information that is essential to it to carry out this duty. It was made clear that the Director of Central Intelligence had been in close touch with the Armed Services and Appropriations Committees of the two Houses of the Congress and that he had furnished these Committees such information as they had sought. This relationship should continue and these Committees should be kept currently advised of CIA activities within the wise provision included by the Congress in the National Security Act of 1947 "that the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure." It was the President's firm conviction that the Executive and the Congress should cooperate in carrying out this legislative mandate.

The President further expressed to the Congressional leaders his view that it was essential that the Congress should be satisfied as to the integrity of the administration of CIA, particularly in connection with the handling of the unvouchered funds ^{on} intrusted to it as well as in its exercise of the powers and duties conferred upon it under the National Security Act of 1947 and directives of the National Security Council thereunder. He advised the Congressional leaders of correspondence which he had had with the Director of Central Intelligence and of his decision as indicated in this correspondence and as requested by the Director of Central Intelligence to set up a Board of Consultants, with duties and functions outlined in that correspondence.

The Congressional leaders present expressed their unanimous concurrence in the view that the legislative and investigative functions should be exercised by the Congress insofar as CIA is concerned, in a manner to protect intelligence sources and methods from unauthorized disclosure and they welcomed the President's action in setting up the high level Board of Consultants.